

Adopted	Rejected
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## COMMITTEE REPORT

YES:	7
NO:	6

### MR. SPEAKER:

*Your Committee on Education, to which was referred Senate Bill 165, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1       Page 1, between the enacting clause and line 1, begin a new
- 2       paragraph and insert:
- 3       "SECTION 1. IC 20-1-21-9.5, AS ADDED BY P.L.8-1999,
- 4       SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 5       JULY 1, 2001]: Sec. 9.5. For all schools under IC 20-3.1, the report
- 6       must include the following, in addition to the requirements of
- 7       IC 20-1-21-9:
- 8       (1) Student achievement information as follows:
- 9       (A) For each elementary and middle school, grade
- 10       advancement rates.
- 11       (B) For each high school, the percentage of students who apply
- 12       to, are accepted by, and attend a college, university, or other
- 13       post-secondary educational institution after high school.
- 14       (2) Administrative performance measures as follows:
- 15       (A) School receipts and expenditures by source, compared
- 16       with budget amounts.

- 1 (B) Total school enrollment.
- 2 (C) The school's general fund expenditures per student and
- 3 total expenditures per student.
- 4 (D) The amount and percentage of the school's general fund
- 5 expenditures and the amount and percentage of total
- 6 expenditures directly reaching the classroom as determined by
- 7 a formula to be established by the board.
- 8 (E) Teacher/pupil ratios aggregated by class, grade, and
- 9 school.
- 10 (F) Administrator/pupil ratio for the school.
- 11 (G) Teacher ~~attendance~~ **retention** rates aggregated by class,
- 12 grade, and school.
- 13 (3) Achievement on the annual performance objectives identified
- 14 under IC 20-3.1-8.
- 15 (4) The performance objectives established under IC 20-3.1-8 for
- 16 the upcoming school year.
- 17 (5) State and school city averages for each of the measures set
- 18 forth in subdivisions (1) through (2), if available.
- 19 SECTION 2. IC 20-3-11-32 IS AMENDED TO READ AS
- 20 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 32. The general school
- 21 laws of this state and all laws and parts of laws applicable to the
- 22 general system of common schools in school cities, so far as not
- 23 inconsistent with the provisions of this chapter, ~~and IC 20-3-1, and~~
- 24 ~~unless made inapplicable by IC 20-3-1,~~ shall be in full force and effect
- 25 in a school city to which this chapter applies.
- 26 SECTION 3. IC 20-3.1-2-20 IS AMENDED TO READ AS
- 27 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 20. "State achievement
- 28 standards" refers to the ~~state achievement~~ **academic** standards adopted
- 29 under IC 20-10.1-17 for the ISTEP program.
- 30 SECTION 4. IC 20-3.1-3-1 IS AMENDED TO READ AS
- 31 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 1. The following school
- 32 city conditions and needs are found to exist on January 1, 1995:
- 33 (1) Education in the school city presents unique challenges.
- 34 (2) Student achievement in the school city on statewide tests
- 35 consistently has been significantly below:
- 36 (A) the state average; and
- 37 (B) achievement attained in school corporations adjacent to
- 38 the school city.

- 1 (3) The need for remediation of students in the school city  
2 consistently has been significantly higher than:  
3 (A) the state average; and  
4 (B) remediation levels in school corporations adjacent to the  
5 school city.
- 6 (4) Graduation rates in the school city consistently have been  
7 significantly below:  
8 (A) the state average; and  
9 (B) graduation rates in school corporations adjacent to the  
10 school city.
- 11 (5) Student attendance rates in the school city consistently have  
12 been below:  
13 (A) the state average; and  
14 (B) student attendance rates in school corporations adjacent to  
15 the school city.
- 16 (6) There are individual schools in the school city whose students  
17 are achieving. However, ~~overall the degree of~~ student  
18 achievement in the school city is unsatisfactory.
- 19 (7) Improving education in the school city requires unique  
20 legislative intervention.
- 21 (8) Educator-driven school level control of efforts to improve  
22 student achievement in their schools ~~and a program of~~  
23 ~~performance awards~~ in the school city will encourage the  
24 development and use of:  
25 (A) innovative teaching methods;  
26 (B) improved opportunities for teacher professional  
27 development;  
28 (C) programs achieving greater levels of parental involvement;  
29 (D) more efficient administrative efforts; and  
30 (E) improved student achievement.
- 31 (9) Greater accountability among educators in their schools,  
32 including:  
33 (A) ~~evaluations based on student achievement measures and~~  
34 ~~administrative efficiency criteria; and~~  
35 (B) annual reports to the public regarding student achievement  
36 information and administrative performance measures;  
37 will encourage the development and use of creative and  
38 innovative educational methods and improve student

1 achievement.

2 (10) Providing a range of remediation opportunities to students in  
3 the school city who fail to meet state achievement standards or  
4 who are determined to be at risk of academic failure by the board  
5 will enhance the educational opportunities available to students  
6 and improve student performance.

7 (11) Enhanced intervention for schools whose students fail to  
8 meet expected performance levels will improve the educational  
9 opportunities and educational achievement in the school city.

10 (12) Allowing students to attend neighborhood schools and the  
11 development and implementation of a **strategic and continuous**  
12 **improvement and achievement plan by the board under**  
13 **IC 20-10.2 at each school** to increase student performance and  
14 achievement in the school city are necessary to achieve these  
15 legislative objectives and to meet the unique challenges to  
16 education and improve student achievement in the school city.

17 SECTION 5. IC 20-3.1-6-1 IS AMENDED TO READ AS  
18 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 1. The student  
19 performance measures described in sections 2 ~~through 4~~ **and 3** of this  
20 chapter shall be used by the board to:

21 (1) assess;  
22 (2) report; and  
23 (3) improve;  
24 the performance of schools ~~educators, and students~~ in the school city.

25 SECTION 6. IC 20-3.1-6-3 IS AMENDED TO READ AS  
26 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 3. The board shall use  
27 performance objectives to:

28 (1) implement the ~~school~~ **board's** plan;  
29 (2) evaluate school performance; **and**  
30 (3) publish annual reports. ~~and~~  
31 ~~(4) determine academic receivership under IC 20-3.1-14.~~

32 SECTION 7. IC 20-3.1-6-5, AS AMENDED BY P.L.14-2000,  
33 SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
34 JULY 1, 2001]: Sec. 5. Each school in the school city shall **develop a**  
35 **strategic and continuous improvement and achievement plan**  
36 **under IC 20-10.2 and, in so doing, shall** measure and record

37 ~~(+)~~ the school's achievement in reaching the school's performance  
38 objectives established under IC 20-3.1-8.

1           ~~(2) student achievement information for the school described in~~  
 2           ~~IC 20-1-21-9 and IC 20-1-21-9.5; and~~

3           ~~(3) teacher and administrative performance information for the~~  
 4           ~~school described in IC 20-1-21-9.5.~~

5           SECTION 8. IC 20-3.1-7-1 IS AMENDED TO READ AS  
 6           FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 1. (a) The board shall  
 7           develop and implement a plan for the improvement of **schools and**  
 8           student achievement in the schools within the school city.

9           (b) A plan developed and implemented under this chapter must be  
 10          consistent with this article.

11          SECTION 9. IC 20-3.1-7-2, AS AMENDED BY P.L.8-1999,  
 12          SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 13          JULY 1, 2001]: Sec. 2. The plan developed and implemented under  
 14          this chapter must do the following:

15           (1) Provide for efforts to increase support of the schools by the  
 16           parents of students and the neighborhood communities  
 17           surrounding the schools.

18           (2) Establish performance objectives for educators and students  
 19           in each school within the school city.

20           (3) Provide opportunity and support for the educators in each  
 21           school to develop ~~a~~ **the school and strategic and continuous**  
 22           **improvement and achievement** plan, including:

23           (A) traditional or innovative methods and approaches to  
 24           improve student achievement; and

25           (B) efficient and cost effective management efforts in the  
 26           school;

27           that are consistent with general guidelines established by the  
 28           board.

29           (4) Require annual reports identifying the progress of student  
 30           achievement for each school as described in IC 20-1-21-9 and  
 31           IC 20-1-21-9.5.

32           (5) Provide for the effective evaluation of each school within the  
 33           school city. ~~and the school's educators; including the~~  
 34           ~~consideration of student achievement in the school.~~

35           ~~(6) Develop performance awards under IC 20-3.1-12 for~~  
 36           ~~extraordinary and outstanding performance by educators.~~

37           ~~(7)~~ **(6)** Provide a range of opportunity for remediation of students  
 38           who:

- 1 (A) fail to meet state achievement standards; or
- 2 (B) are at risk of academic failure.
- 3 ~~(8)~~ (7) Require action to raise the level of performance of a school
- 4 if the school's students fail to achieve expected performance
- 5 levels or performance objectives established for the school.

6 SECTION 10. IC 20-3.1-8-1 IS AMENDED TO READ AS  
 7 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 1. (a) The board shall  
 8 establish annual performance objectives for each school. ~~including the~~  
 9 ~~following:~~

10 ~~(1) For students:~~

- 11 ~~(A) improvement in scores on statewide assessment tests and~~
- 12 ~~assessment programs;~~
- 13 ~~(B) improvement in attendance rates; and~~
- 14 ~~(C) improvement in progress toward graduation.~~

15 ~~(2) For teachers:~~

- 16 ~~(A) improvement in student scores on assessment tests and~~
- 17 ~~assessment programs;~~
- 18 ~~(B) improvement in the number and percentage of students~~
- 19 ~~achieving state achievement standards and, if applicable,~~
- 20 ~~performance levels set by the board; on assessment tests;~~
- 21 ~~(C) improvement in student progress toward graduation;~~
- 22 ~~(D) improvement in student attendance rates for the school~~
- 23 ~~year;~~
- 24 ~~(E) improvement in individual teacher attendance rates;~~
- 25 ~~(F) improvement in communication with parents and parental~~
- 26 ~~involvement in classroom and extracurricular activities; and~~
- 27 ~~(G) other objectives developed by the board.~~

28 ~~(3) For the school and the school administrators:~~

- 29 ~~(A) improvement in student scores on assessment tests;~~
- 30 ~~aggregated by class and grade;~~
- 31 ~~(B) improvement in the number and percentage of students~~
- 32 ~~achieving state achievement standards and, if applicable,~~
- 33 ~~performance levels set by the board; on assessment tests;~~
- 34 ~~aggregated by class and grade;~~
- 35 ~~(C) improvement in student graduation rates and in progress~~
- 36 ~~toward graduation;~~
- 37 ~~(D) improvement in student attendance rates;~~
- 38 ~~(E) management of general fund expenditures per student and~~

total expenditures per student;

(F) improvement in teacher attendance rates; and

(G) other objectives developed by the board.

**(b) The performance objectives established under subsection (a) must be consistent with the state achievement standards and include improvement in at least the following areas:**

**(1) Attendance rate.**

**(2) The percentage of students that meet academic standards under the ISTEP program (IC 20-10.1-16).**

**(3) For a secondary school, graduation rate.**

SECTION 11. IC 20-3.1-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 2. (a) Educators in each school are responsible for improving student achievement in the school and ~~may shall~~ develop ~~the educators' own school a~~ **strategic and continuous improvement and achievement plan under IC 20-10.2** to achieve improvement that:

(1) conforms to the guidelines issued by the board; and

(2) has a cost that does not exceed the amount allocated to the school under section 5 of this chapter.

**(b) The plan described in subsection (a) must be developed by a committee under the procedure set forth in IC 20-10.2.**

**(c)** Educators may use traditional or innovative techniques that the educators believe will best maintain a secure and supportive educational environment and improve student achievement.

SECTION 12. IC 20-3.1-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 3. **In addition to the requirements of the plan set forth in IC 20-10.2,** each school's plan must include the development and maintenance of efforts to increase parental involvement in educational activities.

SECTION 13. IC 20-3.1-9-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 4. School plans **developed under this chapter** shall promote:

(1) increased options for; and

(2) innovative and successful approaches to; improving student achievement.

SECTION 14. IC 20-3.1-9-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 6. (a) ~~Each school's educators may~~ **The plan developed under this chapter must address:**

(1) ~~determine~~ the educational resources, goods, and services that are necessary and appropriate for improving student performance in the school; and

(2) ~~obtain the acquisition~~ or purchase of the educational resources, goods, and services.

(b) Purchases and acquisitions under this section are subject to:

(1) the general guidelines developed by the board; and

(2) the school's budget.

SECTION 15. IC 20-3.1-11-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 1. IC 20-6.1-9 ~~does not apply~~ **applies** to a school city.

SECTION 16. IC 20-3.1-12.1 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]:

**Chapter 12.1. Student Educational Achievement Grants for a School City**

**Sec. 1. A school city is entitled to participate in the student educational achievement grant program under IC 20-10.2-4.**

SECTION 17. IC 20-3.1-13-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 2. The board may:

(1) request and receive competitive proposals from:

(A) a school of the school city; **or**

(B) ~~another public educational institution;~~ **or**

~~(C)~~ a group of educators from the school city;

to provide summer remediation services under guidelines and specified performance standards established by the **state** board; and

(2) contract with one (1) or more providers listed in subdivision

(1) to provide summer remediation services to students in the school city.

SECTION 18. IC 20-3.1-13-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 4. ~~(a)~~ Summer remediation services provided by contractors under section 2 of this chapter shall be at no tuition cost to the student.

~~(b) Upon the request of the parent of a student described in section 1 of this chapter, the school city shall provide the parent with a summer remediation subsidy in an amount equal to fifty percent (50%) of the lowest per student cost of summer remediation services provided by a~~



contractor under section 2 of this chapter.

(c) A parent to whom a summer remediation subsidy is provided may use the subsidy to purchase summer remediation services from a provider located within Marion County. The parent may choose to use the remediation subsidy at an accredited public school. If the amount of tuition for the remediation services is greater than the amount of the remediation subsidy provided to the parent, the parent is responsible for the additional amount.

(d) The allocated remediation subsidy is payable to a provider of remediation services upon the provider's enrollment of the student in the remediation program.

(e) Payment of a remediation subsidy fulfills the obligation under this chapter of the school city to provide remediation services to a student.

(f) If a student who has received a remediation subsidy does not complete a remediation program, the provider of remediation services shall make a refund of the remediation subsidy on a pro rata basis to the school city.

SECTION 19. IC 20-3.1-14.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]:

**Chapter 14.1. Assessing Improvement; Accountability Measures**

**Sec. 1. For purposes of assessing a school's improvement, IC 20-10.2-5 applies to the school city.**

**Sec. 2. For purposes of accountability of a school, the consequences under IC 20-10.2-6 apply to a school within the school city.**

SECTION 20. IC 20-3.1-15-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 1. To provide the board with the necessary flexibility and resources to carry out this article, the following apply:

(1) The board may eliminate or modify existing policies and create new policies; and alter policies from time to time; subject to this article and the plan developed under IC 20-3.1-7.

(2) IC 20-7.5 does not apply to matters set forth in this article. The matters set forth in this article may not be the subject of collective bargaining or discussion under IC 20-7.5.

(3) An exclusive representative certified under IC 20-7.5 to

1 represent certified employees of the school city, or any other  
 2 entity voluntarily recognized by the board as a representative of  
 3 employees providing educational services in the schools; may  
 4 bargain collectively only concerning salary, wages, and salary and  
 5 wage related fringe benefits. The exclusive representative may not  
 6 bargain collectively or discuss performance awards under  
 7 ~~IC 20-3.1-12.~~

8 ~~(4)~~ (1) The board of school commissioners may waive the  
 9 following statutes and rules for any school in the school city  
 10 without the need for administrative, regulatory, or legislative  
 11 approval:

12 (A) The following rules concerning curriculum and  
 13 instructional time:

14 511 IAC 6.1-3-4

15 511 IAC 6.1-5-0.5

16 511 IAC 6.1-5-1

17 511 IAC 6.1-5-2.5

18 511 IAC 6.1-5-3.5

19 511 IAC 6.1-5-4

20 (B) The following rules concerning pupil/teacher ratios:

21 511 IAC 6-2-1(b)(2)

22 511 IAC 6.1-4-1

23 (C) The following statutes and rules concerning textbooks, and  
 24 rules adopted under the statutes:

25 IC 20-10.1-9-1

26 IC 20-10.1-9-18

27 IC 20-10.1-9-21

28 IC 20-10.1-9-23

29 IC 20-10.1-9-27

30 IC 20-10.1-10-1

31 IC 20-10.1-10-2

32 511 IAC 6.1-5-5

33 (D) The following rules concerning school principals:

34 511 IAC 6-2-1(c)(4)

35 511 IAC 6.1-4-2

36 (E) 511 IAC 2-2, concerning school construction and  
 37 remodeling.

38 ~~(5)~~ (2) Notwithstanding any other law, a school city may do the

- 1 following:
- 2 (A) Lease school transportation equipment to others for
- 3 nonschool use when the equipment is not in use for a school
- 4 city purpose.
- 5 (B) Establish a professional development and technology fund
- 6 to be used for:
- 7 (i) professional development; or
- 8 (ii) technology, including video distance learning.
- 9 (C) Transfer funds obtained from sources other than state or
- 10 local government taxation among any account of the school
- 11 corporation, including a professional development and
- 12 technology fund established under clause (B).
- 13 ~~(C)~~ **(3) A school city may** transfer funds obtained from property
- 14 taxation among the general fund (established under IC 21-2-11)
- 15 and the school transportation fund (established under
- 16 IC 21-2-11.5), subject to the following:
- 17 (A) The sum of the property tax rates for the general fund and
- 18 the school transportation fund after a transfer occurs under this
- 19 subdivision may not exceed the sum of the property tax rates
- 20 for the general fund and the school transportation fund before
- 21 a transfer occurs under this clause.
- 22 (B) This clause does not allow a school corporation to transfer
- 23 to any other fund money from the debt service fund
- 24 (established under IC 21-2-4).".
- 25 Page 1, delete lines 8 through 10.
- 26 Page 1, line 11, delete "4." and insert "2.".
- 27 Page 1, line 13, delete "5." and insert "3.".
- 28 Page 1, line 15, delete "6." and insert "4.".
- 29 Page 2, between lines 1 and 2, begin a new paragraph and insert:
- 30 **"Sec. 5. "Conversion charter school" means a charter school**
- 31 **established under IC 20-5.5-11 by the conversion of an existing**
- 32 **school into a charter school."**
- 33 Page 2, line 2, delete "7." and insert "6.".
- 34 Page 2, line 4, delete "8." and insert "7.".
- 35 Page 2, between lines 5 and 6, begin a new paragraph and insert:
- 36 **"Sec. 8. "Existing school" includes a new school building if the**
- 37 **students or teachers from a closed school building are transferred**
- 38 **to the new school building."**

- 1 Page 2, line 10, delete "IC 20-1-1.8-8." and insert "**IC 20-8.1-1-3.**".
- 2 Page 2, between lines 14 and 15, begin a new paragraph and insert:
- 3 "**Sec. 14. "Regional charter school" means a charter school**
- 4 **established jointly by two (2) or more school corporations.**".
- 5 Page 2, line 15, delete "14." and insert "**15.**".
- 6 Page 2, line 17, delete "15." and insert "**16.**".
- 7 Page 2, line 19, delete "16." and insert "**17.**".
- 8 Page 2, line 19, delete "one (1) of".
- 9 Page 2, line 20, delete "A" and insert "**For a charter school, a**".
- 10 Page 2, line 21, delete "A state educational institution (as defined
- 11 in".
- 12 Page 2, delete line 22.
- 13 Page 2, line 23, delete "(3) The" and insert "**For a charter school,**
- 14 **the**".
- 15 Page 21, run in lines 21 and 23.
- 16 Page 2, between lines 24 and 25, begin a new line block indented
- 17 and insert:
- 18 "**(3) For a regional charter school, two (2) or more governing**
- 19 **bodies acting jointly.**".
- 20 Page 2, delete lines 25 through 27.
- 21 Page 2, line 28, delete "17." and insert "**18.**".
- 22 Page 3, line 14, delete "not".
- 23 Page 3, line 14, delete "to a for profit" and insert "**only to an**
- 24 **organizer that is a nonprofit organization that meets the following**
- 25 **requirements:**
- 26 (1) Education is a major purpose of the organization.
- 27 (2) If the organization is a corporation, the organization is a
- 28 nonprofit corporation under Section 501(c)(3) of the Internal
- 29 Revenue Code.
- 30 (3) The organization is not organized or operated for the
- 31 private benefit or gain of any member, trustee, shareholder,
- 32 employee, or associate. For purposes of this subdivision, the
- 33 term "private benefit or gain" does not include reasonable
- 34 compensation paid to an employee for work or services
- 35 actually performed.
- 36 (4) The organization's constitution, chapter, articles, or
- 37 bylaws contain a clause that provides that upon dissolution:
- 38 (A) all remaining assets, except funds specified in clause

1           **(B), shall be used for nonprofit educational purposes; and**  
 2           **(B) funds received from the sponsor shall be returned to**  
 3           **the sponsor not more than thirty (30) days after**  
 4           **dissolution."**

5           Page 3, delete line 15.

6           Page 3, line 16, after "3." insert **"(a)"**.

7           Page 4, between lines 9 and 10, begin a new paragraph and insert:

8           **"(b) This section does not waive, limit, or modify the provisions**  
 9           **of:**

10           **(1) IC 20-7.5 in a charter school where the teachers have**  
 11           **chosen to organize under IC 20-7.5; or**

12           **(2) a collective bargaining agreement for noncertificated**  
 13           **employees (as defined in IC 20-7.5-1-2)."**

14           Page 4, line 11, delete "or a municipality having a population of"  
 15           and insert ".".

16           Page 4, delete lines 12 through 15.

17           Page 4, line 16, delete "or municipality for the establishment of a"  
 18           charter school."

19           Page 4, line 17, after "for" insert **"not more than three (3)"**.

20           Page 4, line 17, delete "any" and insert **"a"**.

21           Page 4, line 17, after "school" insert **"city described in**  
 22           **IC 20-3-11-1."**

23           Page 4, delete lines 18 through 19.

24           Page 4, line 35, delete "A sponsor must notify an organizer who"  
 25           submits a" and insert **"A sponsor must comply with the following:**

26           **(1) Make available to the public copies of the charter school**  
 27           **application, or require the organizer to make copies available**  
 28           **to the public.**

29           **(2) Give notice under IC 5-3-1-2(b) of the public hearing**  
 30           **required under this section.**

31           **(3) Hold a public hearing within reasonable geographic**  
 32           **proximity to the location of the proposed charter school, at**  
 33           **which testimony must be allowed from the organizer and**  
 34           **members of the public."**

35           Page 4, delete lines 36 through 40.

36           Page 5, line 11, delete "If a sponsor rejects a charter school"  
 37           proposal, the" and insert **"(a) This section applies if the sponsor**  
 38           **rejects a proposal and the sponsor is:**

1           (1) the executive of a consolidated city; or

2           (2) a governing body and at least one-third (1/3) of the  
3           members of the governing body favor the proposal.

4           (b) The organizer may appeal the decision of the sponsor to the  
5           charter school review panel created under subsection (c).

6           (c) The charter school review panel is created. The members of  
7           the panel are the superintendent of public instruction and two (2)  
8           members of the board who are appointed by the superintendent of  
9           public instruction.

10          (d) Upon the request of an organizer, the panel shall meet to  
11          consider the organizer's proposal and the sponsor's reasons for  
12          rejecting the proposal. The panel must allow the organizer and  
13          sponsor to participate in the meeting.

14          (e) After the panel meets under subsection (d), the panel shall  
15          make one (1) of the following three (3) findings and issue the  
16          finding to the organizer and the sponsor:

17           (1) A finding that supports the sponsor's rejection of the  
18           proposal.

19           (2) A finding that directs the sponsor to approve the proposal.

20           (3) A finding that:

21            (A) recommends that the organizer amend the proposal;  
22            and

23            (B) specifies the changes to be made in the proposal if the  
24            organizer elects to amend the proposal.

25          The panel shall issue the finding not later than forty-five (45) days  
26          after the panel receives the request for review.

27          (f) If the panel makes a finding described in subsection (e)(1) or  
28          (e)(2), the finding is binding and final.

29          (g) If:

30           (1) the panel makes a finding described in subsection (e)(3);  
31           and

32           (2) the organizer submits to the sponsor an amended proposal  
33           that contains the changes specified in the finding of the panel;  
34          the sponsor shall consider the amended proposal not later than  
35          forty-five (45) days after the sponsor receives the amended  
36          proposal. If the sponsor rejects the amended proposal, the  
37          organizer may appeal the rejection in the same manner that an  
38          initial proposal is appealed under this section."

- 1 Page 5, delete lines 12 through 19.
- 2 Page 5, line 29, after "sponsor" insert **"and the organizer"**.
- 3 Page 6, line 34, delete "Indiana." and insert "**:**
- 4 **(1) the school corporation or school city (as defined in**
- 5 **IC 20-3-11-1) in which the charter school is located, for a**
- 6 **charter school sponsored by a single governing body or the**
- 7 **executive of a consolidated city; or**
- 8 **(2) one (1) of the school corporations that sponsors a regional**
- 9 **charter school."**
- 10 Page 6, line 39, delete "(b)," and insert **"(b) and"**.
- 11 Page 6, line 39, delete "and (d),".
- 12 Page 7, between lines 12 and 13, begin a new paragraph and insert:
- 13 **"Sec. 4. A charter school shall periodically provide information**
- 14 **to the parents of students in the school corporation concerning the**
- 15 **opportunity for students to enroll in the charter school. The**
- 16 **charter school shall design and deliver this information in a**
- 17 **manner to reach the parents of all students, including at risk**
- 18 **students.**
- 19 **Sec. 5. (a) This section applies to a student who does not have**
- 20 **legal settlement (as defined in IC 20-8.1-1-7.1) in a:**
- 21 **(1) school corporation that is the sponsor of a charter school;**
- 22 **(2) school city (as defined in IC 20-3-11-1) located in a**
- 23 **consolidated city of which the executive is the sponsor of a**
- 24 **charter school; or**
- 25 **(3) regional charter school that the student's parent wishes**
- 26 **the student to attend.**
- 27 **(b) A student may enroll in any charter school or regional**
- 28 **charter school in Indiana if the following requirements are met:**
- 29 **(1) The student's parent does the following:**
- 30 **(A) Requests that the student be admitted to enroll in the**
- 31 **charter school or regional charter school.**
- 32 **(B) Agrees to provide and pay for transportation of the**
- 33 **student to and from the charter school or regional charter**
- 34 **school.**
- 35 **(2) The following jointly agree to enroll the student in the**
- 36 **charter school or regional charter school:**
- 37 **(A) The governing body of the school corporation where**
- 38 **the student has legal settlement.**

1           **(B) The principal, or equivalent person or body, of the**  
 2           **charter school or regional charter school.**

3           **(c) The following apply to a student described in subsection (a):**

4           **(1) A school corporation is not required to provide**  
 5           **transportation for the student to attend the charter school or**  
 6           **regional charter school.**

7           **(2) Neither the student nor the student's parent is required to**  
 8           **pay transfer tuition for the student to attend the charter**  
 9           **school or regional charter school.**

10          **(3) The transferor school corporation in which the student has**  
 11          **legal settlement shall pay the student's transfer tuition to the**  
 12          **charter school.**

13          **(4) A transfer becomes effective on a date jointly determined**  
 14          **by the parent and the affected school corporations.**

15          **(d) A student who is denied enrollment in a charter school under**  
 16          **this section may appeal the denial to the board. The board shall**  
 17          **hear the appeal in the manner provided in IC 20-8.1-6.1-10."**

18          Page 7, delete lines 13 through 19.

19          Page 7, line 22, delete "or of an entity with which the charter  
 20          school" and insert ".".

21          Page 7, delete line 23.

22          Page 7, line 27, delete "Employees" and insert **"(a) Certified**  
 23          **employees (as defined in IC 20-7.5-1-2)".**

24          Page 7, line 27, after "school" insert **"that is not a conversion**  
 25          **charter school".**

26          Page 7, between lines 28 and 29, begin a new paragraph and insert:  
 27          **"(b) Noncertificated employees (as defined in IC 20-7.5-1-2) of**  
 28          **a charter school that is not a conversion charter school shall**  
 29          **remain in existing bargaining units and are covered under existing**  
 30          **collective bargaining agreements.**

31          **Sec. 4. (a) This section applies to a conversion charter school.**

32          **(b) After the conversion, the teachers in a conversion charter**  
 33          **school remain a part of the bargaining unit of the school**  
 34          **corporation in which the charter school is located and are subject**  
 35          **to all the provisions of the collective bargaining agreement.**

36          **(c) The governing body, the equivalent body of the conversion**  
 37          **charter school, and the exclusive representative may by mutual**  
 38          **agreement grant a waiver of a specific provision of the collective**



1 bargaining agreement.

2 **Sec. 5. (a) This section applies to the following:**

3 **(1) A charter school that is not a conversion charter school.**

4 **(2) A regional charter school.**

5 **(b) IC 20-6.1-4, IC 20-6.1-5, and IC 20-6.1-6 apply to a school**  
6 **described in subsection (a). However, the organizer and the**  
7 **teachers in the school may by mutual agreement waive or modify**  
8 **any provision of IC 20-6.1-4, IC 20-6.1-5, and IC 20-6.1-6."**

9 Page 7, line 29, delete "4. The following apply to teachers in a  
10 charter school:" and insert **"6. Not less than one hundred percent**  
11 **(100%) of the teachers in a charter school must hold a license to**  
12 **teach in a public school."**

13 Page 7, delete lines 30 through 42.

14 Page 8, delete line 1.

15 Page 8, line 2, delete "5." and insert **"7."**

16 Page 8, line 21, delete "6." and insert **"8."**

17 Page 8, line 24, delete "7." and insert **"9."**

18 Page 8, line 36, delete "8." and insert **"10."**

19 Page 8, line 42, after "corporation" insert **"or a regional charter**  
20 **school of which the governing body is a sponsor."**

21 Page 9, line 16, delete "This section applies only to a student in a  
22 charter school" and insert **"For purposes of computing:**

23 **(1) state tuition support; or**

24 **(2) state funding for any purpose;**

25 **a charter school student is counted in the same manner as a student**  
26 **of the school corporation where the charter school student resides.**

27 **Sec. 3. (a) This section applies to a charter school that has a**  
28 **governing body as sponsor.**

29 **(b) The governing body shall distribute the following to the**  
30 **organizer:**

31 **(1) A proportionate share of tuition support and any other**  
32 **funding received from the state for the students enrolled in**  
33 **the charter school.**

34 **(2) A proportionate share of state and federal funds received**  
35 **for students with disabilities or staff services for students with**  
36 **disabilities for the students with disabilities enrolled in the**  
37 **charter school.**

38 **(3) A proportionate share of funds received under federal or**

1 state categorical aid programs for students who are eligible  
2 for the federal or state aid enrolled in the charter school.

3 (4) A proportionate share of local support for the students  
4 enrolled in the charter school.

5 Sec. 4. This section applies to a charter school that has a sponsor  
6 that is the executive of a consolidated city. The organizer of a  
7 charter school to which this section applies is entitled to receive  
8 transfer tuition under IC 20-8.1-6.1-8(b) for each student who  
9 attends the charter school.

10 Sec. 5. (a) Not later than the date established by the department  
11 for determining average daily membership under  
12 IC 21-3-1.6-1.1(d), the organizer shall submit to the governing  
13 body of the school corporation in which the charter school is  
14 located a report of the total number of students enrolled in the  
15 charter school. Upon receipt of the report, the governing body shall  
16 distribute to the organizer a proportionate share of federal, state,  
17 and local support for the students enrolled in the charter school on  
18 the same schedule that the school corporation receives the funds or  
19 on a schedule agreed to by the sponsor and the organizer.

20 (b) This subsection applies to a regional charter school. The  
21 governing body of the school corporation in which the charter  
22 school is located shall assess the other sponsoring governing bodies  
23 an amount equal to the approved per pupil revenues for the  
24 students of the other school corporations that attend the regional  
25 charter school. The other sponsoring governing bodies shall  
26 transfer the revenues to the governing body of the school  
27 corporation in which the charter school is located on the same  
28 schedule as the sponsoring school corporations receive the revenue  
29 or on a schedule agreed to by the sponsoring governing bodies.".

30 Page 9, delete lines 17 through 42.

31 Delete page 10.

32 Page 11, delete lines 1 through 23.

33 Page 11, line 24, delete "(a)".

34 Page 11, delete lines 28 through 33.

35 Page 11, line 42, after "school." insert "The organizer must use the  
36 money distributed under this section only for a purpose for which  
37 a school corporation may use money from the capital projects fund  
38 established under IC 21-2-15.

1       **Sec. 9. A sponsor may request and receive financial reports**  
 2       **concerning a charter school from the organizer at any time."**

3       Page 12, line 13, delete "residing within the school" and insert  
 4       **"attending the charter school that is in excess of the tuition**  
 5       **currently allowed under law, or impose any mandatory fees upon**  
 6       **a student enrolled in the charter school in preschool special**  
 7       **education or in kindergarten through grade 12. However, a charter**  
 8       **school may:**

9               **(A) charge fees for the same items or services for which a**  
 10              **noncharter public school in the school corporation in**  
 11              **which the charter school is located may charge fees; and**

12              **(B) charge tuition for:**

13                      **(i) a preschool program, unless charging tuition for the**  
 14                      **preschool program is barred under federal law; or**

15                      **(ii) a latch key program;**

16              **if the charter school provides those programs.**

17              **(3) Be located in a private residence."**

18       Page 12, delete lines 14 through 21.

19       Page 12, delete line 23.

20       Page 12, delete lines 37 through 40.

21       Page 12, line 41, delete "(4)" and insert "(3)".

22       Page 13, line 9, delete "IC 20-6.1-4-15 (voiding of teacher contracts  
 23       when two (2)" and insert **"For a conversion charter school only,**  
 24       **IC 20-6.1-4, IC 20-6.1-5, and IC 20-6.1-6 (teacher matters)."**

25       Page 13, delete line 10.

26       Page 13, line 24, delete "IC 20-10.1-2-4 and IC 20-10.1-2-6  
 27       (patriotic" and insert **"IC 20-10.1-1-2 (calendar, annual observances,**  
 28       **national anthem, United States flag)."**

29       Page 13, delete line 25.

30       Page 13, between lines 30 and 31, begin a new line block indented  
 31       and insert:

32              **"(18) IC 20-8.1-4 (limitations on employment of children).**

33              **(19) IC 20-5-2-7 and IC 20-6.1-3-7.1 (criminal history).**

34              **(20) IC 20-8.1-5.1-10 (firearms and deadly weapons).**

35              **(21) IC 20-10.2 (accountability for school performance and**  
 36              **improvement).**

37       **Sec. 6. A charter school is subject to the bidding and wage**  
 38       **determination laws and all other statutes and rules that apply to**

1 the construction of a public school.

2 Sec. 7. A charter school may not duplicate the following if the  
3 programs are established in another school in the sponsoring  
4 school corporation, or, in the case of a regional charter school,  
5 sponsoring school corporations:

6 (1) A cooperative program established under IC 20-10.1-6-7.

7 (2) An apprentice program other than a program specified in  
8 subdivision (1)."

9 Page 15, line 6, delete "fifty-one percent (51%)" and insert  
10 "sixty-seven percent (67%)".

11 Page 15, delete lines 10 through 12.

12 Page 15, line 13, delete "3." and insert "2.".

13 Page 15, delete line 14.

14 Page 15, line 15, delete "existing elementary or secondary school is  
15 located".

16 Page 15, between lines 16 and 17, begin a new paragraph and insert:

17 "Sec. 3. A conversion charter school must permit the parents of  
18 a student who was enrolled in the school before the school's  
19 conversion to a charter school to:

20 (1) remain in the school; or

21 (2) enroll in another school in the school corporation.

## 22 Chapter 12. Regional Charter Schools

23 Sec. 1. The governing bodies of two (2) or more school  
24 corporations may grant a charter to an organizer to operate a  
25 regional charter school under this article.

26 Sec. 2. (a) An organizer may submit to the governing bodies of  
27 two (2) or more school corporations a proposal to establish a  
28 regional charter school. A proposal must contain, at a minimum,  
29 the following information:

30 (1) Identification of the organizer.

31 (2) A description of the organizer's organizational structure  
32 and governance plan.

33 (3) The following information for the proposed regional  
34 charter school:

35 (A) Name.

36 (B) Purposes.

37 (C) Governance structure.

38 (D) Management structure.

- 1 (E) Educational mission goals.
- 2 (F) Curriculum and instructional methods.
- 3 (G) Methods of pupil assessment.
- 4 (H) Admission policy and criteria, subject to IC 20-5.5-5.
- 5 (I) School calendar.
- 6 (J) Age or grade range of pupils to be enrolled.
- 7 (K) A description of staff responsibilities.
- 8 (L) A description and the address of the physical plant.
- 9 (M) Budget and financial plans.
- 10 (N) Personnel plan, including methods for selection,
- 11 retention, and compensation of employees.
- 12 (O) Transportation plan.
- 13 (P) Discipline program.
- 14 (Q) Plan for compliance with any applicable desegregation
- 15 order.
- 16 (R) The date when the regional charter school is expected
- 17 to:
- 18 (i) begin school operations; and
- 19 (ii) have students in attendance at the regional charter
- 20 school.
- 21 (S) The arrangement for providing teachers and other staff
- 22 with health insurance, retirement benefits, liability
- 23 insurance, and other benefits.
- 24 (4) Identification of the school corporation where the regional
- 25 charter school will be located.
- 26 (5) The compensation that the school corporations shall pay
- 27 to the organizer, including the percentage of compensation
- 28 provided by each school corporation.
- 29 (6) The manner in which an annual audit of the programmatic
- 30 operations of the regional charter school is to be conducted by
- 31 the governing bodies.
- 32 (b) This section does not waive, limit, or modify the provisions
- 33 of:
- 34 (1) IC 20-7.5 in a charter school where the teachers have
- 35 chosen to organize under IC 20-7.5; or
- 36 (2) a collective bargaining agreement for noncertificated
- 37 employees (as defined in IC 20-7.5-1-2).
- 38 **Sec. 3. (a) The governing bodies of each school corporation that**

1 has granted a charter for a regional charter school must act jointly  
 2 to revoke the charter of a regional charter school that does not by  
 3 the date specified in the charter:

4 (1) begin school operations; and

5 (2) have students in attendance at the regional charter school.

6 (b) The following apply when the governing body of a school  
 7 corporation that has granted a charter for a regional charter  
 8 school wishes to cease participation in a regional charter school:

9 (1) If after the withdrawal two (2) or more school  
 10 corporations remain in the regional charter school, the  
 11 charter remains in effect and the regional charter school  
 12 continues in existence.

13 (2) If only one (1) school corporation remains after the  
 14 withdrawal:

15 (A) the charter is canceled;

16 (B) the regional charter school terminates; and

17 (C) the withdrawing school and the remaining school may  
 18 grant a new charter to an organizer to operate a charter  
 19 school that is not a regional charter school.

20 Sec. 4. (a) Each governing body must notify the department of  
 21 the following concerning a regional charter school:

22 (1) The receipt of a proposal.

23 (2) The acceptance of a proposal.

24 (3) The rejection of a proposal, including the reasons for the  
 25 rejection, the number of members of the governing body  
 26 favoring the proposal, and the number of members of the  
 27 governing body not favoring the proposal.

28 (b) The department shall annually do the following:

29 (1) Compile the information received under subsection (a)  
 30 into a report.

31 (2) Submit the report to the general assembly.

32 Sec. 5. A proposal to establish a regional charter school must be  
 33 approved by a majority of the members of each governing body to  
 34 which the proposal was submitted.

35 Sec. 6. (a) This section applies if:

36 (1) a governing body rejects a proposal to establish a regional  
 37 charter school; and

38 (2) at least one-third (1/3) of the members of each governing

body to which the proposal was submitted favor the proposal,  
as evidenced by the minutes of each governing body.

(b) The organizer may appeal the decision of the governing  
bodies to the charter school review panel created under subsection  
(c).

(c) The charter school review panel is created. The members of  
the panel are the superintendent of public instruction and two (2)  
members of the board who are appointed by the superintendent of  
public instruction.

(d) Upon the request of an organizer, the panel shall meet to  
consider the organizer's proposal and the governing bodies'  
reasons for rejecting the proposal. The panel must allow the  
organizer and governing bodies to participate in the meeting.

(e) After the panel meets under subsection (d), the panel shall  
make one (1) of the following three (3) findings and issue the  
finding to the organizer and the governing bodies:

(1) A finding that supports the governing bodies' rejection of  
the proposal.

(2) A finding that directs the governing bodies to approve the  
proposal.

(3) A finding that:

(A) recommends that the organizer amend the proposal;  
and

(B) specifies changes to be contained in the proposal if the  
organizer elects to amend the proposal.

The panel shall issue the finding not later than forty-five (45) days  
after the panel receives the request for review.

(f) If the panel makes a finding described in subsection (e)(1) or  
(e)(2), the finding is binding and final.

(g) If:

(1) the panel makes a finding described in subsection (e)(3);  
and

(2) the organizer submits to the governing bodies an amended  
proposal that contains the changes specified in the finding of  
the panel;

the governing bodies shall consider the amended proposal not later  
than forty-five (45) days after the governing bodies receive the  
amended proposal. If a governing body rejects the amended

proposal, the organizer may appeal the rejection in the same manner that an initial proposal is appealed under this section.

**Sec. 7. A governing body must include a regional charter school in which the school corporation participates when complying with public notice requirements affecting public schools."**

Page 15, delete lines 17 through 25.

Page 18, between lines 15 and 16, begin a new paragraph and insert:

"SECTION 23. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2001]: IC 20-3.1-2-10; IC 20-3.1-2-15; IC 20-3.1-2-25; IC 20-3.1-6-4; IC 20-3.1-7-3; IC 20-3.1-11-2; IC 20-3.1-11-3; IC 20-3.1-11-4; IC 20-3.1-11-5; IC 20-3.1-11-6; IC 20-3.1-12; IC 20-3.1-14.

SECTION 24. [EFFECTIVE UPON PASSAGE] (a) **Notwithstanding any other law, the subjects included in the written agreement existing on August 31, 1994, between the board of school commissioners of the city of Indianapolis and the exclusive representative (Agreement between the Board of School Commissioners of the City of Indianapolis and the Indianapolis Education Association, 1991-1994) are restored as subjects of bargaining beginning on the earlier of the following:**

(1) The effective date of this SECTION.

(2) July 1, 2001.

(b) This SECTION expires July 1, 2001.

SECTION 25. [EFFECTIVE UPON PASSAGE] (a) **After the effective date of this SECTION and before the implementation of the plan for the continuous school improvement and achievement established under IC 20-3.1-9, as amended by this act, a school employer that is subject to IC 20-3.1, as amended by this act:**

(1) **may not cancel the contract of a school employee for any reason other than a reason set forth in IC 20-6.1-4-10 or IC 20-6.1-4-10.5; and**

(2) **is subject to IC 20-6.1-4-11 when canceling the contract of a school employee.**

(b) **This SECTION expires July 1, 2004."**

Page 18, line 16, before "There" insert "(a)".

Page 18, line 20, before "and" insert ", as added by this act,".

Page 18, line 22, after "IC 20-5.5" insert ", as added by this act".

Page 18, between lines 22 and 23, begin a new paragraph and insert:



- 1       **"(b) This SECTION expires July 1, 2003."**
- 2       Renumber all SECTIONS consecutively.  
(Reference is to SB 165 as reprinted January 30, 2001.)

**and when so amended that said bill do pass.**

---

Representative Porter